

The Honorable Lonny R. Suko

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NoteWorld, LLC d/b/a  
NoteWorld Servicing Center

FILED IN THE  
U.S. DISTRICT COURT  
EASTERN DISTRICT OF WASHINGTON

MAR 20 2012

JAMES R. LARSEN, CLERK  
DEPUTY  
SPOKANE, WASHINGTON

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF WASHINGTON  
AT SPOKANE

DOYLE WHEELER and CARRI  
WHEELER, husband and wife,  
individually and on behalf of similarly  
situated Washington residents,

Plaintiffs,

v.

NOTEWORLD, LLC, d/b/a  
NOTEWORLD SERVICING CENTER, a  
Delaware limited liability company;  
NATIONWIDE SUPPORT SERVICES,  
INC., a California corporation; FREEDOM  
DEBT CENTER, a California corporation;  
and JOHN AND JANE DOES A-K,

Defendants.

No. CV-10-202-LRS

CLASS ACTION

CONSENT JUDGMENT FOR  
INJUNCTIVE RELIEF

[PROPOSED] CONSENT JUDGMENT FOR  
INJUNCTIVE RELIEF - 1  
Case No. CV-10-202-LRS

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1 THIS MATTER came before the Court for hearing pursuant to an Order  
2 of this Court, dated November 3, 2011, on the application of the Settling Parties  
3 for approval of the Settlement set forth in the Class Settlement Agreement dated  
4 as of October 18, 2011 (the "Agreement"). Due and adequate notice having  
5 been given of the settlement as required in said Order, and the Court having  
6 considered all papers filed and proceedings held herein and otherwise being  
7 fully informed in the premises and good cause appearing therefore, IT IS  
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HEREBY ORDERED, ADJUDGED AND DECREED that:

1. This Judgment incorporates by reference the definitions in the Agreement, and all capitalized terms used herein shall have the same meanings set forth in the Agreement.

2. This Court has jurisdiction over the subject matter of the Litigation and over all parties to the Litigation, including all Members of the Class.

3. This agreed injunctive relief is the result of a negotiated settlement as set forth in the Agreement. NoteWorld does not admit to any wrongdoing or liability on its part. NoteWorld maintains that it has conducted its dealings with Named Plaintiffs and those similarly situated in a lawful manner in all respects. The Parties entered into the Agreement to avoid the further expense, inconvenience, and risk of litigation.

1           4.     Neither this Consent Judgment nor the injunctive relief contained  
2 herein, the Agreement nor the settlement contained therein, nor any act  
3 performed or document executed pursuant to or in furtherance of the Agreement  
4 or of the settlement: (a) is or may be deemed to be or may be used as an  
5 admission of, or evidence of, the validity of any Released Claim, or of any  
6 wrongdoing or liability of the Defendant NoteWorld; (b) is or may be deemed to  
7 be or may be used as an admission of, or evidence of any fault or omission of  
8 NoteWorld in any civil, criminal, or administrative proceeding in any court,  
9 administrative agency or other tribunal; or (c) is or may be deemed to have res  
10 judicata or collateral estoppel effect against NoteWorld or to give rise to any  
11 form of estoppel against NoteWorld in any other proceeding. This Judgment  
12 shall not be construed or used as a waiver or any limitation on any defense  
13 otherwise available to NoteWorld in any other litigation. This Judgment is  
14 made without trial or adjudication of any issue of fact or law or finding of  
15 liability of any kind. Nothing in this Judgment shall be construed to limit or to  
16 restrict NoteWorld's right to assert and maintain all available defenses.

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18           5.     Injunctive Relief. The Parties agree that the procedures mandated  
19 by the following injunctive relief are in compliance with current interpretations  
20 of the application of the Debt Adjusting Act, RCW 18.28.010. As part of an  
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1 agreed settlement as contained in the Agreement, and pursuant to RCW  
2 19.86.080 and RCW 18.28.200, NoteWorld is enjoined as follows:  
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4 a. Existing Accounts. Starting October 18, 2011, any monies  
5 being held in the NoteWorld Trust Account on behalf of members of the Class  
6 will be disbursed only to those members of the Class or their creditor(s), subject  
7 to Washington State's unclaimed property laws. No fees of any kind will be  
8 disbursed from those accounts to any entity, whether to a debt settlement/debt  
9 adjusting company or to NoteWorld.  
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11 b. Prospective Accounts. Sign-Up Agreements accepted by  
12 NoteWorld after the date of execution of this Settlement Agreement shall be  
13 handled in the following way:  
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15 i. A \$25 "initial fee" may be charged by NoteWorld for  
16 each account.  
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18 ii. Other than that initial fee, no payment of fees may be  
19 made to any entity unless and until a settlement payment is disbursed to a  
20 creditor.  
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22 iii. When fees are disbursed at the time of settlement,  
23 those fees shall not exceed 15% of the debt being settled, which debt amount  
24 shall be determined as of the date of enrollment.  
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1                   iv.       NoteWorld will require the debt settlement / debt  
2     adjusting company to disclose the amount of total debt being enrolled in the debt  
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4     adjusting plan for each consumer account being administered.

5           6.     Exemptions and Future Law Changes. Notwithstanding the  
6     foregoing, nothing in this Consent Judgment nor in the Agreement shall prohibit  
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8     NoteWorld from complying with any amendment to the Washington Debt  
9     Adjusting Act or relying on any exemption recognized in such amendment.


10          7.     Modification of Injunctive Relief. NoteWorld may seek a  
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12     modification in the federal court on an ex parte basis of the injunctive relief  
13     provisions in this Consent Judgment based on any change, modification or  
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15     clarification of the applicable law through future case law, legislative action,  
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17     promulgation of a rule or regulation by a state or federal agency with  
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19     appropriate regulatory authority, pronouncement by a state or federal agency  
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21     with appropriate regulatory authority or otherwise. This Court hereby retains  
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23     continuing jurisdiction over modification of the injunctive relief provisions of  
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25     this Consent Judgment.

26          8.     Nothing in this Consent Judgment is intended to and does not in  
any way waive NoteWorld's right to rely upon the provision of and commentary  
to the amended Telemarketing Sales Rule effective September 27, 2010, and

1 NoteWorld retains all defenses, including but not limited to the defense of  
2 federal preemption, arising from the Rule.  
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5 IT IS SO ORDERED.

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7 Dated: 3/20/12

8   
9 The Honorable Lonny R. Suko  
United States District Judge